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July 2, 2021

VIA FACSIMILE 225-381-7271

Suzanne Mooney
Louisiana Board of Governmental Ethics
P.O. Box 4368
Baton Rouge, LA 70821

Re: **EXPEDITED --Request for Advisory Opinion to be Considered at the
Board's August 6, 2021 meeting**

Dear Ms. Mooney:

John E. Atkins, Caddo Parish Commissioner, requests an opinion concerning a family owned companies' ability to invest in a developing project that currently has an agreement in place to purchase property from Caddo Parish.

Commissioner Atkins respectfully requests that this request for advisory opinion be placed on the docket of the Ethics Board meeting scheduled for August 6, 2021 because the project developers are currently soliciting investor commitments and seek to have those in place prior to September.

I. Background Facts

John E. Atkins is currently serving in his second term as one of 12 elected members of the Caddo Parish Commission. The Caddo Parish Commission has oversight over Ward II Industrial site. Project Horntail, LLC will likely be the entity that enters an agreement with Caddo Parish to operate on Caddo Parish's Ward II Industrial site. While the project is still in development, Project Horntail, LLC currently has an agreement in place to purchase the property from Caddo Parish. At some point, Project Horntail, LLC will likely assign its full interest in the project to another entity to be formed in the future.

The Project Development Team (with which Commissioner Atkins has no familial or business affiliation or involvement) is aspiring to raise \$50 million in Equity for the project, and they anticipate employing about \$60 million in debt. Commissioner Atkins and his family members are considering investing up to \$2 million in Project Horntail, LLC, through a to-be-formed family-owned entity in which Commissioner Atkins will own 12.5%. A \$2 million investment into a project funded with \$50 million of equity would represent a 4% ownership in the equity of the project.

Through this new entity, Commissioner Atkins will have an equity interest of one-half of one percent (0.5%) in Project Horntail, LLC. The total of his ownership and that of his three siblings would total less than two percent (1.76%).

Commissioner Atkins will not be employed by or receive compensation from Project Horntail, LLC or its successors; he will not sit on the Board of Directors, and he will have no control over the entity responsible for developing and executing the project. Furthermore, no member of his family will have

any position of compensation, control or influence over Project Horntail, LLC or its successors, and will simply be equity investors.

II. Request for Advisory Opinion

Commissioner Atkins requests an opinion concerning his ability to invest funds through a to-be-formed family-owned entity representing a 4% ownership in the equity of Project Horntail, LLC and its successors when Project Horntail, LLC has a contractual arrangement in place with Caddo Parish.

III. Proposed Advisory Opinion

The Code of Governmental Ethics does not prohibit Commissioner Atkins and his family members from investing funds, through a to-be-formed family-owned entity, representing a 4% ownership in the equity of Project Horntail, LLC, an entity with a contract with Caddo Parish, (or any successor entities) while John Atkins serves as a Caddo Parish Commissioner. La. R.S. 42:1113A y prohibits a legal entity in which a public servant has a controlling interest from bidding on or entering into any contract, subcontract or other transaction that is under the supervision or jurisdiction of his agency, Caddo Parish.

Further, La. R.S. 42:1111C(2)(d) prohibits a legal entity in which a public servant owns an interest in excess of twenty-five percent, shall receive any thing of economic value for or in consideration of services rendered. Commissioner Atkins will own 12.5% of a yet-to-be-formed new family-owned entity.

Here, the legal entity that has a contract with Caddo Parish is Project Horntail, LLC. If the to-be-formed family owned entity were to invest in Project Horntail, LLC it would only acquire a 4% equity interest. A company in which a Commissioner's family owns a 4% interest is not prohibited from entering into contracts with the Commissioner's agency, Caddo Parish. And, because Commissioner Atkins will own only 12.5% of the to-be-formed family owned entity and will not exercise control over its operations, the new company is not prohibited from receiving any derived profits from Project Horntail, LLC.

IV. Conclusion

Based on the foregoing, we respectfully request that the Board issue an advisory opinion, at its August 6, 2021 meeting, concluding that the Ethics Code does not prohibit a family owned company, owned in part by a Caddo Parish Commissioner, from investing in a developing project that currently has an agreement in place to purchase property from Caddo Parish.

Yours truly,



Alesia M. Ardoin

Kathleen Allen

From: Alesia Ardoin <alesiaardoin@sextonlaw.net>
Sent: Friday, July 2, 2021 1:24 PM
To: Kathleen Allen
Cc: Suzanne Mooney; Tracy Barker (Ethics)
Subject: RE: August Agenda
Attachments: 2021.07.02 Atkins RAO.pdf

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Kathleen.

Attached is the request for advisory opinion on behalf of John Atkins. The development in which he is interested in investing, through a family-owned company, hopes to have its investor commitments in place prior to September.

Therefore, we respectfully request that this matter be docketed for consideration at the Board's August meeting.

Thanks.

Alesia

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From: Kathleen Allen [mailto:Kathleen.Allen@LA.GOV]
Sent: Wednesday, June 30, 2021 10:59 AM
To: Alesia Ardoin
Cc: Suzanne Mooney; Tracy Barker (Ethics)
Subject: RE: August Agenda

Include in your request for an advisory opinion that you are requesting it to be on the August agenda and information as to why it cannot wait until the Board's September agenda.

Kathleen M. Allen

Ethics Administration Program
P. O. Box 4368
Baton Rouge, LA 70821
(225) 219-5600/(800) 842-6630
(225) 381-7271 (facsimile)
www.ethics.la.gov

From: Alesia Ardoin <alesiaardoin@sextonlaw.net>
Sent: Tuesday, June 29, 2021 1:10 PM
To: Kathleen Allen <Kathleen.Allen@LA.GOV>
Cc: Gray Sexton <graysexton@sextonlaw.net>
Subject: August Agenda

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Kathleen,

Richard Sherburne referred a client to us yesterday who is an elected Caddo Parish Commissioner and is interested in an investment opportunity in a company that may acquire land from Caddo Parish. He would like an opinion from the Ethics Board on these issues and wants to be completely sure there is no problem with his proposed arrangement. However, the opportunity may have passed if he has to wait until the September meeting.

We would like to be included on the August agenda and given until Friday to submit our request. I spoke with Sue who told me that I could tell you that she would handle the opinion.

Thanks.

Alesia

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Tracy Barker (Ethics)

From: Tracy Barker (Ethics)
Sent: Friday, June 25, 2021 3:08 PM
To: John Atkins
Cc: Donna Frazier; Henry Bernstein
Subject: RE: Seeking Louisiana Ethics Board Opinion

Mr. Atkins:

I have received your request for an advisory opinion. However, I must receive a signed advisory opinion request. Please print your email, sign it, scan it, and email it back to me.

Thank you,

Tracy M. Barker

Deputy General Counsel
Louisiana Board of Ethics
| P.O. Box 4368 | Baton Rouge, Louisiana 70821
| Office: (225) 219-5600 | Toll Free: (800) 842-6630 | Fax: (225) 381-7271
| website: www.ethics.la.gov | e-mail: tracy.barker@la.gov

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From: John Atkins [<mailto:john.atkins@caddo.org>]
Sent: Friday, June 25, 2021 11:25 AM
To: Tracy Barker (Ethics) <Tracy.Barker@LA.GOV>
Cc: Donna Frazier <dfrazier@caddo.org>; Henry Bernstein <hbernstein@caddo.org>
Subject: Seeking Louisiana Ethics Board Opinion

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Dear Ms. Barker:

I am a Caddo Parish Commissioner, and I am seeking the opinion of the Ethics Board regarding an investment opportunity that I am currently evaluating in Caddo Parish.

As a private investor active in the timberland space, I have been solicited to make a private investment in a proposed greenfield sawmill targeting a location in North Caddo Parish. I have been told that Caddo Parish's Ward II Industrial Site is being considered as a potential location, and I am under the impression that conversations have already taken place between the Project Developer and the Parish Administration regarding this Parish property.

As a member of the Commission, I am concerned that a personal investment in this project may represent a "conflict of interest".

If I decide that I would like to make an investment in this project, the investment could be made through (a) an individual LLC in which I am the sole member, (b) a family LLC in which I am a member, or (c) a family LLC of siblings and cousins which I am NOT a member. While I currently serve as a Limited Partner and Manager or Co-Manager of all of our existing family LLC's, if necessary, we could form new a family partnership of siblings and cousins in which I am neither a Limited Partner nor a Manager.

In either case, I and/or my family would not own more than 5% of the Equity in the project.

As an advisor to the Louisiana Ethics Board, please let me know if you believe that an investment of this nature would be considered a Conflict of Interest?

If you do feel that an investment of this nature would represent a conflict of interest, are there specific actions that I could take that would allow me to both make and investment AND remain in compliance with the Ethics Board? For example, might I remain in compliance if my personal or family interest remains below X%?

While I would like to be supportive of an interesting project that would result in meaningful jobs for our Parish, **my first priority is to ensure that I remain in full compliance with the State Ethics Laws**, and I will comply fully with the recommendations of you or the Board. Please let me know your thoughts.

Thank you,

John E. Atkins
Office: 318-222-2161
Cell: 318-560-4122

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